



# *The Insider*

[www.senate.michigan.gov/switalski](http://www.senate.michigan.gov/switalski)

## **Inside State Politics with State Senator Mickey Switalski Senate District 10**

**October 30, 2009**

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at [senmswitalski@senate.michigan.gov](mailto:senmswitalski@senate.michigan.gov) or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a location near you. Call my office and make an appointment or just walk in. See the schedule below for details.

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### **Mickey's Blog: The End of 20J**

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All summer, I was involved in negotiations on the state budget with Appropriations members from the House and Senate, and the Governor's office. During those meetings it was clear that state revenues were plummeting, and that the budget would be in deficit.

There are two basic ways to address that problem. You can cut, or you can raise revenue. There was a general agreement that significant cuts would have to be made, but never a meeting of the minds on revenue as an option.

During the course of those meetings, we considered the option to cut everything. We discussed the drawbacks of cutting everything equally. While equal across the board cuts seem fair and are easy to explain, they often aren't the best policy approach. Usually some programs have a higher priority than others, and some programs are so small that it doesn't make sense to continue running them if you can't afford the minimum they need to function.

So the option of cutting everything evolved into the idea that no one should escape the cuts, because everyone had to feel pain, but that some areas would feel more pain than others. In that spirit, I offered up a 10% cut to Section 20J school districts. Every school district in the state gets at least \$7316 in per pupil funding, but some get more. Some get as much as \$12,000 per pupil, based on a community's willingness to tax themselves with a higher millage at the time of Proposal A.

In 2000, at the height of the economic boom, there were a couple of years when low inflation and large increases to schools resulted in 39 districts with the highest per pupil funding being ineligible for the minimum increase all other schools were getting. The lowest schools got a bonus payment, and everyone else got the minimum. Except 39 schools got less than the minimum.

Wanting every school to get at least the minimum increase, the legislature created section 20J payments to give these schools the difference between the lower inflationary increase and the higher minimum foundation increase.

For nearly 10 years, 20J existed as a \$51 million line item in the budget.

But now it is gone.

The Governor vetoed the funding, based on anticipated shortfalls in state revenue collections each month.

I appreciate that cuts have to be made, but I hate to see the 20J schools lose their entire funding in one blow, or about \$200 per pupil, especially when the budget also cut \$165 per pupil and a proration cut another \$127. So while I am willing to take my share of the cuts, I hate to see one group bear a disproportionate share of the burden.

So do my colleagues who have 20J districts within their borders. When the Governor issued her veto, a bipartisan group of legislators considered our options for overriding the veto. Unfortunately, rudimentary math showed us that 39 school districts comprise a distinct minority of the 552 districts in the state. I was surprised to learn that many members on both sides of the aisle were quietly glad that districts with higher foundations were losing money.

It is a sad commentary on human nature that the misfortune of our friends is sometimes not displeasing to us.

Undaunted, my colleague Senator Pappageorge (R-Troy) introduced a resolution asking the House to overturn the veto. The bill has to go to the House first, and I and several Democratic colleagues cosponsored the resolution, which caused some consternation among fellow Democrats and the administration. But those guys don't elect me.

You do.

When we went to the committee, a bipartisan coalition passed the resolution, 10-5, in front of a packed crowd of 20J superintendents and supporters. It might have made them feel good for a day, but they would be mistaken if they thought this would fix the problem.

The resolution is not an override. And the votes probably don't exist in either the House or the Senate to override the veto, which requires a two-thirds vote.

So I made a motion to put Senate Bill 310 in front of the committee, a shell bill I introduced earlier just in case legislators agreed to raise some targeted revenue to restore an unjust cut.

The resolution was largely symbolic, I argued, but passing this bill could actually restore funding for 20J. I even renewed my offer of funding just 90% of it, and identified four different sources to fund it. We could take our pick, mixing and matching, between freezing the increase in the personal exemption to the income tax (\$55 million), a sliver of the proposed 15% reduction in Michigan Business Tax credits (\$75 million), taxing cigarillos equal to cigarettes (\$7 million) or loose tobacco (\$38 million) or alcohol sales at extended hours (\$14 million). Out of all these we only needed \$46 million to fund 20J at 90%.

Make me an offer.

After all, we just had a 10-5 vote to ask the House to restore the whole thing.

Committee Chair Senator Jelinek (R-Three Oaks), who is my best friend in the Senate, confessed that he was taken by surprise. Would I withdraw my motion?

I agreed that I had been completely surprised by a Doctor's Tax vote 2 hours earlier on the Senate Floor. Normally, you never want to surprise people if you want to build a relationship. But that road has to go both ways. So I didn't withdraw my motion. Given the choice I preferred to go down fighting.

My 10-5 majority for symbolism melted when given the chance to put money where our mouths were. The committee wanted to think about it, and temporarily postponed action on the bill.

I appreciate them even thinking about it.

But they couldn't very well vote me down with that big crowd in the room.

I can't say I am confident of success. If I were a 20J district, I would prepare for the worst.

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### **Mickey's Ends and Notes**

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#### **TOWN HALL MEETING ON STATE BUDGET ON NOVEMBER 2**

I wanted to take this opportunity to invite you to the Town Hall meeting I am holding on Monday, November 2nd from 7-8:30 pm at the Erin Auditorium in the Roseville Public Library. I will discuss the state budget, including cuts to Promise Scholarships, Schools, 20J districts, Revenue Sharing, and the recently defeated Physician Tax. I will also address the revenue options, including tax expenditures and income, business, and sales tax reforms. Besides these items, I will be happy to discuss any other issue attendees want to talk about. Dress is casual and the discussion will be freewheeling. Feel free to invite anyone else that might want to attend. Think of it as quality time at the barbershop. Hope to see you there. For more information, please contact my district office at (586) 294-0925.

**WHO:** State Senator Michael Switalski (D-Roseville)

**WHAT:** Town Hall Meeting

**WHEN:** Monday, November 2, 2009  
7-8:30 p.m.

**WHERE:** Roseville Civic Center Complex, Erin Auditorium  
29777 Gratiot Avenue, at Common Road  
Located at the Roseville Public Library

#### **GOVERNOR ANNOUNCES ASSISTANCE WEBSITE FOR PEOPLE IN NEED**

Governor Jennifer Granholm recently announced a streamlined state website that will help the unemployed and other Michigan residents easily find programs that may assist them. The Helping Hand website, [www.michigan.gov/helpinghand](http://www.michigan.gov/helpinghand), offers information on jobs and training, unemployment benefits, health care, family support, and housing. People who are applying for food assistance will now be able to apply online through Helping Hand and will not have to visit a Department of Human Services Office. The website can also help people determine if they may be eligible for unemployment benefits or certain types of public assistance, such as Medicaid benefits.

While Helping Hand covers many programs and services, it doesn't include every available resource in every Michigan community. So the state is partnering with the Michigan Association of United Ways by providing links on Helping Hand to 2-1-1, the United Way system (<http://www.uwsem.org>) that connects people with information and resources. The state is also partnering with the Michigan Community Action Agency Association. For more information on the programs and services that the Macomb County Community Services Agency provides, visit <http://www.macombcountymi.gov/MCCSA/index.htm>.

#### **MDOT POSTS GAME DAY TRAFFIC INFORMATION ONLINE**

The Michigan Department of Transportation is making game day traffic information for the University of Michigan, Michigan State University, and Detroit Lions football games available on their website, which can be accessed at the following link: [www.michigan.gov/gettingtothegame](http://www.michigan.gov/gettingtothegame). Game day travel alerts will be regularly updated throughout the season.

In addition, you can get up-to-date road travel information for state roadways (as defined by the US, M, and I route designations), including a list of statewide lane closures, at [www.michigan.gov/drive](http://www.michigan.gov/drive).

#### **DHS CREATES MI BRIDGES WEBSITE FOR FOOD ASSISTANCE PROGRAM**

The Michigan Department of Human Services is continuing its focus on ensuring that residents receive the benefits they are eligible for. Through the implementation of the MI Bridges program (an online food assistance application and client self-service portal), families who are eligible or participating in the food assistance program can access their account via the Internet at the following link: <http://www.michigan.gov/mibridges>.

#### **UNEMPLOYMENT INSURANCE AGENCY TO HOLD FREE SEMINARS FOR EMPLOYERS ABOUT MICHIGAN'S UI SYSTEM**

The Michigan Unemployment Insurance Agency (UIA) will host a series of ten free half-day seminars for employers about the state's unemployment program at various locations across the state in October and November, including one seminar in Clinton Township.

Each session starts at 8 a.m. and ends at 12:30 p.m. The Clinton Township seminar will be held on October 30 at the Macomb Intermediate School District's offices, located at 44001 Garfield Road, Central Training Room 100-B.

The seminars are designed to help explain to employers Michigan's UI tax and benefit programs as well as recent changes at the agency. Topics discussed at the seminar include how benefits are paid and charged to employer accounts, new online services available for employers, how the UIA calculates unemployment insurance tax rates, and how to appeal a UIA determination decision.

For more information on the seminars, including registration forms and entire event schedule, click on to the following link: ([http://www.michigan.gov/documents/uia/Fall09Registration\\_290579\\_7.pdf](http://www.michigan.gov/documents/uia/Fall09Registration_290579_7.pdf)).

#### **PUBLIC SERVICE COMMISSION ANNOUNCES ITS 'BE WINTERWISE' WEBSITE**

With winter approaching, the Michigan Public Service Commission (MPSC)'s website offers practical tips to residents on how to reduce their winter heating bills and provides information for how low income citizens can apply for financial assistance to avoid shut-offs.

The website also contains information on the Home Heating Credit and the Weatherization Assistance Program, and includes the Energy Assistance Directory, developed by the Coalition to Keep Michigan Warm, which provides a listing of public and private programs and resources by county. For more information, log on to the following link:

([http://www.michigan.gov/documents/bewinterwise\\_138994\\_7.htm](http://www.michigan.gov/documents/bewinterwise_138994_7.htm)) or 1-800-292-9555.

In addition, the MPSC is also reminding senior citizens over the age of 65 to be aware that utilities must reconnect utility service to them free of charge with no questions asked during the heating season, which runs from November 1 through March 31. Customers are urged to contact their utilities directly if they are having difficulty paying their electric or natural gas bill, or are currently disconnected.

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### Office Hours

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\*In response to requests from constituents, I have added office hours in Roseville and during the daytime. Here are my next scheduled coffee hours. Please feel to stop on by or make an appointment by calling my office.

<b>November 30</b> <b>7-8 p.m.</b>  <b>Clinton-Macomb Public Library-South</b> (35891 South Gratiot) Clinton Township	<b>Future Office Hours</b> T.B.A
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### Mickey's TV Insider Show

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Check out my TV Insider Show coming to a television station near you. Watch me interview local guests about politics, life, issues and concerns to our district.

#### **Sterling Heights**

Every Saturday and Sunday at 1 p.m.  
(Comcast Channel 5/WOW Channel 10)

#### **Utica**

Every Wednesday at 9 a.m.  
(Comcast Channel 5/WOW Channel 10)

#### **Clinton Township**

Last week of every month- Sat thru Thurs  
(Comcast Channel 5/WOW Channel 10)

#### **Roseville**

Various Times-check local listings  
(Comcast Channel 18/WOW Channel 10)

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## Contact My Office

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**Website:** <http://www.senate.michigan.gov/switalski>

**Email:** [senmswitalski@senate.michigan.gov](mailto:senmswitalski@senate.michigan.gov)

### Lansing Office

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### District Office

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